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E.O. 12958: DECL: TWENTY YEARS
TAGS: [PREL](#) [SNAR](#) [MARR](#) [ETRD](#) [SCUL](#) [UNESCO](#) [EC](#)
SUBJECT: FM FALCONI ON POSITIVE TACK IN MEETING WITH
AMBASSADOR

REF: A. QUITO 109
[1](#)B. QUITO 306
[1](#)C. 08 QUITO 1128

Classified By: Ambassador Heather M. Hodges for Reasons 1.4 (b&d)

[1](#)1. (C) SUMMARY: In a May 7 meeting with the Ambassador, FM Falconi offered to assist in reaching agreements on USG cooperation with specialized Ecuadorian police units, seeking tax exemptions for vehicles the U.S. Forward Operating Location will donate to local charities, and concluding a bilateral agreement on cultural property. Falconi waxed enthusiastically (as did President Correa) about meetings with POTUS and the Secretary at the Summit of the Americas. Falconi described initial GOE thinking on a possible new trade arrangement with the U.S., and informed us that the GOE would not nominate a candidate for UNESCO Director General. End Summary.

[1](#)2. (SBU) The Ambassador met with Foreign Minister Fander Falconi on May 7, at her request. Bilateral Affairs Under Secretary Jorge Orbe, North America Director General Juan Salazar, and POLCOUNS also attended.

SUMMIT OF AMERICAS AND TRADE

[1](#)3. (C) FM Falconi told the Ambassador that the GOE was pleased with the frank discussion at the Summit of the Americas, including the four Ecuadorian meetings with the U.S. He highlighted President Correa's comments in the POTUS meeting with UNASUR on the need to expand the U.S. regional agenda and his "concern about the issue of security" (he was not specific, although it sounded as if he was referring to the February difficulties related to our vetted units). He also noted Correa's explanation of Ecuador's need for a more stable trade arrangement in his meeting with the Secretary. Falconi said the summit host's decision not to have participants sign the final document took the pressure off the situation since ALBA members had decided not to sign. He described Correa as very happy with the event.

[1](#)4. (C) Asked what specifically the GOE had in mind for a new trade arrangement, Falconi said it would need to be consistent with Ecuador's development needs and new constitution. He suggested including other aspects, such as cooperation (meaning USG assistance to Ecuador) and political dialogue. (Note: Such a three-pronged approach would be similar to the three pillars the EU uses in its association agreement negotiations, and consistent with what the GOE floated, but failed to conclude, with Canada.) The

Ambassador did not respond.

15. (SBU) Falconi's positive comments about the Summit of the Americas were consistent with President Correa's remarks in his May 2 radio/TV address. Correa said, "Barack Obama has made an extraordinary impression on me; he is a simple guy of humble origins, unlike Bush ... He (Obama) has given me much hope about the beginning of a new era in U.S. Latin American relations." Commenting that "I admire Hillary very much," Correa said he explained Ecuador's situation (in regard to high income equality) to the Secretary and expressed admiration for Americans' great sense of justice and simplicity. Correa continued, "I believe that we (Correa and the Secretary) understood each other fairly well and that also gives us great hope to expect better days in the U.S.-Ecuador relationship, which has been fairly good, but ... maybe we could do much more."

LAW ENFORCEMENT COOPERATION WITH POLICE UNITS

16. (C) The Ambassador emphasized to FM Falconi that we still did not have clarity on which GOE officials we should work with to negotiate agreements on U.S. law enforcement cooperation with Ecuadorian National Police specialized units. She said she understood the GOE wanted the agreements to be done through the MFA, and stressed that we were losing time. (The U.S. Embassy cut off support for two police units in January and February) see Ref A.) The Ambassador noted that when she met with Government and Police Minister Gustavo Jalkh the previous week, he sounded open to the two governments doing "cooperative," even sequential, polygraphs

of personnel the GOE planned to appoint to these units (Ref B). The Ambassador explained that police units seemed to want to work out the agreements directly with their Embassy counterparts, but that she understood the GOE's senior leadership did not want to proceed in this fashion.

17. (C) Under Secretary Orbe suggested that negotiation of such agreements be handled by a working group as part of the Bilateral Dialogue process (Ref C). To our relief, Falconi immediately disagreed, instructing Orbe to keep the law enforcement agreements separate from the Bilateral Dialogue.

18. (C) Falconi said Minister Jalkh should be in the lead given his ministry's technical expertise on the subject. He understood the need for a GOE technical team the Embassy could talk to, and promised that the MFA would try to play a facilitative role.

MANTA FOL AND VEHICLE DONATIONS

19. (C) The Ambassador referred to the May 15 bilateral meeting in Manta, Ecuador, to discuss plans for the closure of the U.S. Forward Operating Location (FOL), noting that the U.S. would provide more detailed information at this meeting on disposition of assets. She said the U.S. would leave well-equipped facilities, but that some equipment (such as the firetrucks) would go to other locations where the USG conducted counternarcotics surveillance flights. The Ambassador informed Falconi that the last FOL flight would take place on July 17 and our departure from the facility in September. Falconi sounded pleased that the process was working well.

110. (C) The Ambassador raised the need for tax exemptions for vehicles that the FOL wished to donate to charities and other entities it had been working with in Manta. She said she was not sure whether a tax exemption would be necessary to donate the ambulance to the Manta airport authority. Falconi expressed willingness to work with us and the tax and customs authorities on this issue. (Note: The Embassy received a follow-up call from the MFA on May 11, and has asked the Military Group to provide the MFA more specific information on the vehicles' status.)

UNESCO DIRECTOR GENERAL; CULTURAL PROPERTY AGREEMENT

¶11. (C) The Ambassador stated that while the GOE's nominations for leadership of multilateral bodies were its own business, the USG would welcome an alternative candidate to Egypt's in the UNESCO Director General race. She had heard that the GOE might consider nominating Ivonne Baki. Falconi responded that the political bureau of President Correa's Proud and Sovereign Fatherland (PAIS) movement had considered the possibility of nominating Baki, but had decided after much debate that the GOE would not put forward a candidate. He offered to mention the Ambassador's comments to President Correa (which we interpret more as courtesy than actually reopening the matter).

¶12. (C) The Ambassador proposed that the two governments seek to conclude a cultural property agreement. She mentioned her participation in a cultural artifacts handover to Ecuador in Miami last year, but noted that this was done at the discretion of the FBI, while a cultural property agreement would regularize the process. Falconi suggested that the two governments look at other existing agreements as models and seek to move the process forward.

FALCONI'S FINAL MUSINGS TURN TO TRADE

¶13. (C) Falconi commented that now that President Correa had been re-elected for another four years, the GOE wanted to create a new strategic vision for diplomacy. He explained that the MFA was working to maintain existing collaboration, while reviewing its diplomatic presence and activities worldwide in terms of potential tourism, trade, and investment. Falconi called strengthened trade relations -- both stabilizing current trade relationships and seeking new potential partners -- the primary foreign policy challenge for the GOE this year.

COMMENT

¶14. (C) The meeting was quite cordial, as FM Falconi himself described it in a television interview the following morning.

We will continue to try to clarify who in the GOE has the lead on law enforcement agreements, and are hopeful that Falconi's offer to facilitate the process will help us move forward now that elections are over.

HODGES